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Advance Report on Durable Goods Manufacturers' Shipments, Inventories and Orders January 2005

New Orders

New orders for manufactured durable goods in January decreased \$1.7 billion or 0.9 percent to \$200.4 billion, the U.S. Census Bureau announced today. This followed a 1.4 percent December increase. Excluding transportation, new orders increased 0.8 percent. Excluding defense, new orders decreased 0.8 percent.

Transportation equipment had the largest decrease, \$3.0 billion or 5.3 percent to \$53.3 billion, due to nondefense aircraft and parts, which decreased \$2.2 billion.

Shipments

Shipments of manufactured durable goods in January, up seven of the last eight months, increased \$3.0 billion or 1.5 percent to \$209.2 billion. This was at the highest level since the series was first stated on a NAICS basis in 1992 and followed a 2.8 percent December increase.

Computers and electronic products, up seven of the last eight months, had the largest increase, \$1.6 billion or 4.0 percent to \$42.1 billion.

Unfilled Orders

Unfilled orders for manufactured durable goods in January, down following eleven consecutive increases, decreased \$0.9 billion or 0.2 percent to \$551.3 billion. This followed a 0.5 percent December increase.

Transportation equipment, down following two consecutive increases, decreased \$1.2 billion or 0.4 percent to \$262.8 billion.

Inventories

Inventories of manufactured durable goods in January, up fourteen consecutive months, increased \$2.6 billion or 0.9 percent to \$285.9 billion. This followed a 0.2 percent December increase.

Computers and electronic products, up following two consecutive decreases, had the largest increase, \$0.8 billion or 1.5 percent to \$50.1 billion.

Capital Goods

Nondefense new orders for capital goods in January increased \$0.1 billion or 0.2 percent to \$69.5 billion. Shipments increased \$2.0 billion or 3.0 percent to \$68.8 billion. Unfilled orders increased \$0.8 billion or 0.3 percent to \$245.7 billion. Inventories increased \$0.2 billion or 0.2 percent to \$111.2 billion.

Defense new orders for capital goods in January decreased \$0.7 billion or 9.8 percent to \$6.8 billion. Shipments increased \$0.1 billion or 1.0 percent to \$8.1 billion. Unfilled orders decreased \$1.4 billion or 0.9 percent to \$146.9 billion. Inventories increased \$0.3 billion or 1.4 percent to \$20.2 billion.

Revised December Data

Revised seasonally adjusted December figures for all manufacturing industries are: new orders, \$379.3 billion (revised from \$379.1 billion); shipments, \$383.3 billion (revised from \$382.7 billion); unfilled orders, \$552.1 billion (revised from \$552.6 billion); and total inventories, \$471.6 billion (revised from \$470.6 billion).

Figures in text, other than year-to-date, are in seasonally adjusted current dollars. Figures on new and unfilled orders exclude data for semiconductor manufacturing. For data, call (301) 763-4673 or go to <http://www.census.gov/m3>.

Revised and more detailed estimates, plus nondurable goods data, will be published on March 4, 2005 at 10:00 a.m. EST. The advance report on durable goods for February is scheduled for release on March 24, 2005 at 8:30 a.m. EST. See back page for survey description and release dates.

Table 1. Durable Goods Manufacturers' Shipments and New Orders
[Millions of Dollars]

Item	Seasonally Adjusted						Not Seasonally Adjusted ¹					
	Monthly			Percent Change			Monthly			Year to Date		
	Jan 2005 ²	Dec 2004 ^r	Nov 2004	Dec - Jan ²	Nov - Dec ^r	Oct - Nov	Jan 2005 ²	Dec 2004 ^r	Jan 2004	2005	2004	Percent Change 05/04
DURABLE GOODS												
Total:												
Shipments.....	209,205	206,160	200,500	1.5	2.8	0.2	184,816	208,162	166,170	184,816	166,170	11.2
New Orders ⁴	200,401	202,143	199,400	-0.9	1.4	2.0	185,231	209,052	167,594	185,231	167,594	10.5
Excluding transportation:												
Shipments.....	154,675	151,305	147,625	2.2	2.5	0.5	137,423	155,278	119,672	137,423	119,672	14.8
New Orders ⁴	147,052	145,829	141,805	0.8	2.8	-0.7	135,761	149,073	119,475	135,761	119,475	13.6
Excluding defense:												
Shipments.....	199,271	196,787	190,964	1.3	3.0	0.4	176,798	197,482	158,404	176,798	158,404	11.6
New Orders ⁴	191,821	193,407	189,544	-0.8	2.0	4.2	176,375	194,430	157,128	176,375	157,128	12.2
Manufacturing with unfilled orders:												
Shipments.....	144,015	140,126	136,764	2.8	2.5	-0.5	127,891	142,787	113,001	127,891	113,001	13.2
New Orders ⁴	143,119	143,091	142,972	0.0	0.1	2.0	135,506	150,930	120,386	135,506	120,386	12.6
Primary metals:												
Shipments.....	15,660	15,312	14,885	2.3	2.9	2.8	15,026	13,560	11,548	15,026	11,548	30.1
New Orders.....	15,486	15,242	14,927	1.6	2.1	5.1	15,558	13,805	12,487	15,558	12,487	24.6
Fabricated metal products:												
Shipments.....	23,745	23,457	23,366	1.2	0.4	2.0	21,785	21,978	19,226	21,785	19,226	13.3
New Orders.....	23,721	23,435	23,619	1.2	-0.8	-0.5	22,463	21,719	21,065	22,463	21,065	6.6
Machinery:												
Shipments.....	27,280	26,592	25,077	2.6	6.0	-3.8	23,652	26,337	19,872	23,652	19,872	19.0
New Orders.....	27,134	27,042	25,848	0.3	4.6	-4.2	24,956	26,460	21,383	24,956	21,383	16.7
Computers and electronic products:												
Shipments.....	42,079	40,442	40,281	4.0	0.4	0.2	36,486	48,519	32,428	36,486	32,428	12.5
New Orders ⁴	34,655	35,084	32,398	-1.2	8.3	-5.8	31,821	43,445	27,349	31,821	27,349	16.4
Computers and related products:												
Shipments.....	10,024	9,474	9,285	5.8	2.0	-2.9	8,943	12,389	7,344	8,943	7,344	21.8
New Orders.....	9,848	10,251	9,331	-3.9	9.9	5.8	8,425	13,084	6,668	8,425	6,668	26.3
Communications equipment:												
Shipments.....	7,041	6,836	6,887	3.0	-0.7	-2.9	5,951	8,575	5,732	5,951	5,732	3.8
New Orders.....	7,433	7,571	6,107	-1.8	24.0	-40.3	7,623	8,623	5,958	7,623	5,958	27.9
Semiconductors:												
Shipments.....	7,908	6,982	7,308	13.3	-4.5	1.0	7,200	7,253	5,961	7,200	5,961	20.8
New Orders ⁴	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)
Electrical equipment, appliances, and components:												
Shipments.....	9,442	9,001	9,061	4.9	-0.7	1.4	8,136	9,331	7,353	8,136	7,353	10.6
New Orders.....	9,810	8,685	9,336	13.0	-7.0	4.9	8,722	8,652	7,527	8,722	7,527	15.9
Transportation equipment:												
Shipments.....	54,530	54,855	52,875	-0.6	3.7	-0.6	47,393	52,884	46,498	47,393	46,498	1.9
New Orders.....	53,349	56,314	57,595	-5.3	-2.2	9.4	49,470	59,979	48,119	49,470	48,119	2.8
Motor vehicles and parts:												
Shipments.....	38,326	39,775	37,939	-3.6	4.8	1.4	34,676	35,891	34,962	34,676	34,962	-0.8
New Orders.....	38,153	39,641	37,801	-3.8	4.9	2.4	34,970	36,264	35,387	34,970	35,387	-1.2
Nondefense aircraft and parts:												
Shipments.....	6,310	5,897	5,502	7.0	7.2	-12.0	4,822	6,957	3,921	4,822	3,921	23.0
New Orders.....	5,835	8,001	9,614	-27.1	-16.8	64.7	5,365	10,797	3,770	5,365	3,770	42.3
Defense aircraft and parts:												
Shipments.....	3,766	3,166	3,373	19.0	-6.1	-3.3	3,046	3,787	2,910	3,046	2,910	4.7
New Orders.....	3,002	1,913	3,180	56.9	-39.8	-3.7	3,066	3,758	2,991	3,066	2,991	2.5
All other durable goods:												
Shipments.....	36,469	36,501	34,955	-0.1	4.4	2.1	32,338	35,553	29,245	32,338	29,245	10.6
New Orders.....	36,246	36,341	35,677	-0.3	1.9	2.9	32,241	34,992	29,664	32,241	29,664	8.7
Capital goods: ³												
Shipments.....	76,893	74,784	72,363	2.8	3.3	-2.4	65,878	83,629	58,482	65,878	58,482	12.6
New Orders.....	76,301	76,906	78,330	-0.8	-1.8	1.0	70,666	90,396	62,064	70,666	62,064	13.9
Nondefense capital goods:												
Shipments.....	68,774	66,743	64,211	3.0	3.9	-2.4	59,237	74,634	51,704	59,237	51,704	14.6
New Orders.....	69,545	69,420	69,919	0.2	-0.7	7.7	63,733	77,617	52,771	63,733	52,771	20.8
Excluding aircraft:												
Shipments.....	66,319	63,957	62,144	3.7	2.9	-1.7	57,764	70,675	50,426	57,764	50,426	14.6
New Orders.....	67,216	65,290	63,206	2.9	3.3	1.2	61,368	70,578	51,354	61,368	51,354	19.5
Defense capital goods:												
Shipments.....	8,119	8,041	8,152	1.0	-1.4	-2.1	6,641	8,995	6,778	6,641	6,778	-2.0
New Orders.....	6,756	7,486	8,411	-9.8	-11.0	-33.4	6,933	12,779	9,293	6,933	9,293	-25.4

NA Not Available ^r Revised

¹ Shipments and new orders are the totals for the period and are adjusted for trading-day and calendar-month variations; unfilled orders and total inventories are as of the end of the period and are not adjusted for trading-day or calendar-month variations.

² Based on advance sample. Estimates of manufacturers' shipments, inventories, and orders are subject to survey error and revision. One major component of survey error is nonsampling error, which includes errors of coverage, response and nonreporting. Since the survey panel is not a probability sample, estimates of sampling error cannot be calculated. Further details on survey design, methodology, and data limitations are contained in our most recent annual benchmark publication, Current Industrial Reports: M3-1(02), "Manufacturers' Shipments, Inventories, and Orders: 1992-2002."

³ The Capital Goods Industries include Nondefense: small arms and ordnance; farm machinery and equipment; construction machinery; mining, oil, and gas field machinery; industrial machinery; vending, laundry, and other machinery; photographic equipment; metalworking machinery; turbines and generators; other power transmission equipment; pumps and compressors; material handling equipment; all other machinery; electronic computers; computer storage devices; other computer peripheral equipment; communications equipment; search and navigation equipment; electromedical, measuring, and control instruments; electrical equipment; other electrical equipment, appliances, and components; heavy duty trucks; aircraft; railroad rolling stock; ships and boats; office and institutional furniture; and medical equipment and supplies.

Defense Capital Goods include: small arms and ordnance, communications equipment, aircraft: missiles, space vehicles, and parts, ships and boats, and search and navigation equipment.

⁴ Data on new and unfilled orders are not available for the semiconductor industry. Estimates and percent changes for new orders and unfilled orders exclude semiconductor industry data. Inventories for semiconductor industry data are included in computers and electronic products and total durable goods industries, but are not shown separately.

Table 2. Durable Goods Manufacturers' Unfilled Orders and Total Inventories
[Millions of Dollars]

Item	Seasonally Adjusted						Not Seasonally Adjusted ¹			
	Monthly			Percent Change			Monthly			Percent Change 2005/ 2004
	Jan 2005 ²	Dec 2004 ^r	Nov 2004	Dec - Jan ²	Nov - Dec ^r	Oct - Nov	Jan 2005 ²	Dec 2004 ^r	Jan 2004	
DURABLE GOODS										
Total:										
Unfilled Orders ⁴	551,253	552,149	549,184	-0.2	0.5	1.1	554,530	546,915	509,801	8.8
Total Inventories.....	285,937	283,303	282,599	0.9	0.2	0.9	284,993	275,769	262,344	8.6
Excluding transportation:										
Unfilled Orders ⁴	288,435	288,150	286,644	0.1	0.5	0.5	288,635	283,097	256,899	12.4
Total Inventories.....	216,192	214,045	212,860	1.0	0.6	0.7	215,766	209,030	194,984	10.7
Excluding defense:										
Unfilled Orders ⁴	386,835	386,377	382,775	0.1	0.9	1.6	388,852	382,075	349,144	11.4
Total Inventories.....	260,775	258,428	258,102	0.9	0.1	0.9	260,076	251,422	238,566	9.0
Manufacturing with unfilled orders:										
Unfilled Orders ⁴	551,253	552,149	549,184	-0.2	0.5	1.1	554,530	546,915	509,801	8.8
Total Inventories.....	224,098	222,208	220,908	0.9	0.6	1.0	223,256	216,781	204,529	9.2
Primary metals:										
Unfilled Orders.....	19,526	19,700	19,770	-0.9	-0.4	0.2	19,393	18,861	16,941	14.5
Total Inventories.....	22,186	21,715	21,322	2.2	1.8	2.4	22,465	21,949	17,632	27.4
Fabricated metal products:										
Unfilled Orders.....	45,874	45,898	45,920	-0.1	0.0	0.6	45,252	44,574	39,860	13.5
Total Inventories.....	35,919	35,572	35,102	1.0	1.3	1.3	35,825	35,017	30,940	15.8
Machinery:										
Unfilled Orders.....	51,291	51,437	50,987	-0.3	0.9	1.5	51,666	50,362	44,393	16.4
Total Inventories.....	46,293	46,084	45,682	0.5	0.9	1.5	46,269	44,918	41,863	10.5
Computers and electronic products:										
Unfilled Orders ⁴	142,730	142,246	140,622	0.3	1.2	-0.4	143,569	141,034	130,038	10.4
Total Inventories.....	50,135	49,382	49,502	1.5	-0.2	-0.3	49,800	47,542	46,577	6.9
Computers and related products:										
Unfilled Orders.....	8,958	9,134	8,357	-1.9	9.3	0.6	8,757	9,275	8,129	7.7
Total Inventories.....	6,525	6,471	6,396	0.8	1.2	-0.2	6,342	6,047	5,819	9.0
Communications equipment:										
Unfilled Orders.....	55,538	55,146	54,411	0.7	1.4	-1.4	55,741	54,069	49,995	11.5
Total Inventories.....	11,199	11,059	10,973	1.3	0.8	-0.7	11,118	10,698	10,472	6.2
Semiconductors:										
Unfilled Orders ⁴	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)
Total Inventories ⁴	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)	(NA)
Electrical equipment, appliances, and components:										
Unfilled Orders.....	15,572	15,204	15,520	2.4	-2.0	1.8	15,429	14,843	13,589	13.5
Total Inventories.....	13,086	13,000	12,928	0.7	0.6	-0.5	13,036	12,464	12,461	4.6
Transportation equipment:										
Unfilled Orders.....	262,818	263,999	262,540	-0.4	0.6	1.8	265,895	263,818	252,902	5.1
Total Inventories.....	69,745	69,258	69,739	0.7	-0.7	1.5	69,227	66,739	67,360	2.8
Motor vehicles and parts:										
Unfilled Orders.....	14,502	14,675	14,809	-1.2	-0.9	-0.9	14,984	14,690	14,045	6.7
Total Inventories.....	22,117	21,723	21,994	1.8	-1.2	0.2	22,152	20,779	20,838	6.3
Nondefense Aircraft and parts:										
Unfilled Orders.....	115,949	116,424	114,320	-0.4	1.8	3.7	117,685	117,142	104,920	12.2
Total Inventories.....	23,087	23,211	23,665	-0.5	-1.9	2.7	22,749	22,205	23,666	-3.9
Defense Aircraft and parts:										
Unfilled Orders.....	52,868	53,632	54,885	-1.4	-2.3	-0.4	52,683	52,663	60,851	-13.4
Total Inventories.....	12,383	12,272	11,903	0.9	3.1	0.5	12,277	12,030	11,362	8.1
All other durable goods:										
Unfilled Orders.....	13,442	13,665	13,825	-1.6	-1.2	5.5	13,326	13,423	12,078	10.3
Total Inventories.....	48,573	48,292	48,324	0.6	-0.1	0.1	48,371	47,140	45,511	6.3
Capital goods: ³										
Unfilled Orders.....	392,570	393,162	391,040	-0.2	0.5	1.5	395,791	391,003	361,379	9.5
Total Inventories.....	131,353	130,863	130,746	0.4	0.1	1.3	130,429	127,223	123,624	5.5
Nondefense capital goods:										
Unfilled Orders.....	245,677	244,906	242,229	0.3	1.1	2.4	247,616	243,120	220,614	12.2
Total Inventories.....	111,175	110,955	110,918	0.2	0.0	1.3	110,384	107,526	104,344	5.8
Excluding aircraft:										
Unfilled Orders.....	153,792	152,895	151,562	0.6	0.9	0.7	153,995	150,391	140,212	9.8
Total Inventories.....	94,841	94,369	93,874	0.5	0.5	1.0	94,298	91,696	87,394	7.9
Defense capital goods:										
Unfilled Orders.....	146,893	148,256	148,811	-0.9	-0.4	0.2	148,175	147,883	140,765	5.3
Total Inventories.....	20,178	19,908	19,828	1.4	0.4	1.4	20,045	19,697	19,280	4.0

See footnotes at end of Table 1

Survey Description

This report is compiled from results of the U.S. Census Bureau's Manufacturers' Shipments, Inventories, and Orders (M3) survey. This survey provides statistics on manufacturers' value of shipments, new orders (net of cancellations), end-of-month order backlog (unfilled orders), and end-of-month total inventory (at current cost or market value). The M3 includes approximately 4,000 reporting units. Units may be divisions of diversified large companies, large homogenous companies, or single-unit manufacturers in 89 industry categories. Due to the small monthly sample, these 89 categories have been combined into 59 publication levels. The survey methodology assumes that the month-to-month changes of the total operations of those companies in the monthly survey effectively represent the month-to-month movements of all establishments that make up the category. The current coverage levels in the survey show that reported data in the monthly survey represent approximately 60 percent of the shipments estimates at the total manufacturing level. Data published represent manufacturing in a calendar month. The data collection is based on a voluntary survey authorized by Title 13 of the United States Code.

The data presented in this release are based on data obtained from a panel of 4,000 reporting units and provide an indication of the activity within the manufacturing sector. The results differ from what would be obtained from a complete enumeration of all manufacturing companies. In addition, a different panel of 4,000 companies would yield different results. The M3 panel is comprised of companies with \$500 million or more in shipments and a limited number of smaller companies. From a statistical perspective, the panel is not a probability sample; therefore, the sampling errors that are normally provided with sample surveys cannot be measured. Nonsampling errors are attributable to many sources. The use of company or divisional reports to estimate the monthly change for establishments is one source of nonsampling error. The use of primarily large companies to represent the month-to-month movement of all companies is another potential source.

Additional survey documentation can be found on our web site: <http://www.census.gov/m3/>.

2005 Release Dates for M3 Survey

Survey Month	Advance 8:30 A.M.	Preliminary 10:00 A.M.
Dec 2004	1/27/05	2/3/05
Jan 2005	2/24/05	3/4/05
Feb 2005	3/24/05	3/31/05
Mar 2005	4/27/05	5/3/05
Apr 2005	5/25/05	6/2/05
May 2005	6/24/05	7/5/05
Jun 2005	7/27/05	8/2/05
Jul 2005	8/24/05	8/30/05
Aug 2005	9/28/05	10/4/05
Sep 2005	10/27/05	11/3/05
Oct 2005	11/29/05	12/6/05
Nov 2005	12/23/05	